

# FINANCIAL NEWS AND COMMENT

Dull and Quiet Stock Market  
Turns Strong at the Close.

## DEALINGS IN BONDS LARGE

Huge Surplus of Money Shown  
in the Bank Statement.

After running along yesterday in the same idle and desultory manner that it has throughout most of the week, the stock market in the last half hour turned active and strong closing with considerable gains generally shown. Very considerably the rise was of merely speculative origin due to the retirement in part of the contracts for the fall that have been freely made by professional operators since the opening of the market on Tuesday in a rather unsuccessful effort to get up a decline in prices. The real feature of the market yesterday was the larger buying and upward movement in bonds which first out in an appearance two days ago, and for this a plain enough cause was found in the figures of the weekly bank statement, which were made public after the close of business, showing an increase in the actual reserve for the week of \$2,212,250, bringing the total actual bank surplus at the moment up to over \$27,000,000, a figure almost unprecedented for the season. In the stock market under the traction stocks led the advance, and the idea has gained headway that the city authorities and the various traction companies will soon come to an agreement and solve by their joint action the great problem of passenger transportation in New York. Almost the only item of actual financial news developing during business hours was, however, the announcement of the sale by the New York, New Haven and Hartford Railroad Company of \$30,000,000 at one per cent, one year notes, the interest rate borne by the notes being one-half of 1 per cent, less than that carried by the notes issued by the company a year ago.

The week's stock market has been of peculiar character. Many of the prominent shares, including nearly all those which are commonly called speculative leaders, wavered back and forth in an uncertain way, as if professional operators were dubious in their minds as to the exact course marketwise that they should pursue and one or two of these stocks, notably Union Pacific, have been distinctly weak. In fact, the weakness of Union Pacific has constituted the chief argument with speculators for selling stocks. No reason of any substantial importance has presented itself for a decline in this issue and the strong probability is that the fluctuations of the stock, which have been highly irregular lately, have represented no more than the market operations of two or three large capitalists who are acting upon the theory that for the time being a series of profitable turns may be made by selling the stock when it rises a few points and buying it after a similar decline. On the other hand, time was given to the entire market last week by the great strength of certain specialties, Lehigh Valley, all the traction stocks, Consolidated Gas, nearly all the Gould issues, Western Union, most of the copper stocks and a great variety of other shares were strong for special reasons but in a general way beyond any question because a process of investment was going on.

Toward the close of the week also the bond market was definitely stronger and more active, thereby fulfilling the anticipations of those who have predicted such an occurrence, basing their convictions upon the increasing stores of idle money, the return of public financial confidence and the numerous indications of business improvement. An alleviation of the congestion in money here sought by diverting funds to South America and the Argentine Republic and by extending loans to any responsible financial institution that desires funds in Europe or for that matter anywhere else. There was no diminution during the week of the favorable character of reports as to a picking up in commercial and mercantile business and all signs continued to point to one conclusion, that after a long period of hand to mouth buying and of national economizing merchants and consumers of merchandise were once more stocking up with goods after the customary fashion. Only a comparatively languid interest appeared to be excited by the talk of tariff revision. It is generally believed that a bill heavily reducing iron and steel duties will pass Congress at this session, though whether President Taft will sign such a bill is very doubtful. In any event people in the iron and steel trade seem to have arrived pretty nearly unanimously at the judgment that a reduction in the tariff of this sort has already been discounted in trade conditions and prices.

Both cotton and wheat prices were inclined to strength during the week. Factors making for an advance in cotton prices are, first, the circumstance that the quotations for the staple are now hovering around the cost of production and that cotton spinners especially in our own country, are still bare of stocks and must sooner or later buy largely of cotton at the present trade rates goes on growing. On the other hand, receipts of cotton from the plantations continue so large as to press heavily upon the market, requiring the force of a good deal of sustained buying power to hold price steady. The element of interest in the grain market for the moment appears to be the condition of the Argentine wheat crop, which it is said has been damaged lately by unfavorable weather.

## Closing Prices of United States Bonds.

**Bond Asked**

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